REMARKS

In response to the Office Action dated January 9, 2007, please consider the following remarks. Claims 1-33 remain in the case.

Election/Restrictions

In response to the restriction requirement set forth in the Office Action, the Applicant hereby provisionally elects to prosecute the invention of Group I with traverse. The restriction requirement is submitted to be improper because each of claims 1-33 is drawn to a hierarchical compression system and method. For example, in claim 1, hierarchical method for coding video data is described in the Applicant's specification as "current hierarchical video coding techniques divide a video frame into layers" and the "layer can be encoded and decoded completely independent of the other layers" (specification: page 4, line 3 & lines 17-18; emphasis added). Moreover, each of claims 1-33 includes this hierarchical coding scheme. Thus, the Applicant respectfully requests that the restriction requirement be withdrawn upon reconsideration.

In addition, the Applicant hereby provisionally elects to prosecute the invention of Species C (the species of FIG. 7). The Applicant hereby indicates to the Examiner that claim 1-17, 32, and 33 read on FIG. 7 and that independent claim 1 is a generic claim.

More specifically, FIG. 7 illustrates video data input having video frames (box 700), dividing each frame into a plurality of layers (box 710), assign a unique frequency band to each layer (box 720), encoding each layer using a lower or similar frequency band (box 730) and decoding the encoded layers using a lower or similar frequency band (box 740). This subject matter is claimed in independent claim 1 and its dependent claims, and is described in further detail in independent claims 8, 15, 19, 23, 28, 32, and each of their respective dependent claims. Thus, the Applicant maintains that claim 1 is generic to independent claims 8, 15, 19, 23, 28, 32.

In an effort to expedite and further the prosecution of the subject application, the

Applicant kindly invite the Examiner to telephone the Applicant's attorney at (805) 278-8855 if the Examiner has any comments, questions or concerns, wishes to discuss any aspect of the prosecution of this application, or desires any degree of clarification of this response.

Respectfully submitted, Dated: February 9, 2007

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